

# SPACEPORT AMERICA

November 3, 2015

CHRISTINE ANDERSON  
Chief Executive Officer



**SPACEPORT**AMERICA

# AGENDA

- SPACEPORT UPDATE
- CAPITAL OUTLAY REQUEST
- BUDGET OVERVIEW
- LIQUOR LICENSE

# SPACEPORT AMERICA QUICK FACTS



- FAA LICENSED SPACEPORT— ONE OF 10 IN US
- 23 VERTICAL LAUNCHES TO DATE (NEXT ONE IN NOVEMBER)
- 50 FULL TIME EMPLOYEES
- 28 NM SUPPORT CONTRACTOR COMPANIES
- VIRGIN GALACTIC, SPACEX AND X2NSAT ARE TENANTS
- MANY OTHER CUSTOMERS
- VISITOR EXPERIENCE OPENED IN JUNE 2015
- ACTIVE AND GROWING STEM PROGRAM

**We are just getting started**

# CURRENT JOBS AT SPACEPORT AMERICA



- CURRENT NMSA AND SUPPORT CONTRACTOR OPERATIONAL FULL TIME STAFF OF 35, PLUS 36 IN PART TIME SUPPORT
- VG HAS 15 EMPLOYEES, RAMPING UP TO 70+ WHEN OPERATIONAL
- NMSA / VG CONTRACTORS FROM 28 NM COMPANIES

Fiore Industries (Doña Ana, Sierra, Bernalillo)  
Western Building Development (Doña Ana)  
White Sands Research & Developers (Doña Ana)  
Jemez Mountain Research Center (Santa Fe)  
Van Citters Historic Preservation (Bernalillo)  
B&D Industries (Bernalillo)  
Rodey Dickason Sloan (Bernalillo)  
Holt Mynatt Martinez (Doña Ana)  
Mesilla Valley Disposal (Doña Ana)  
Emerson (Bernalillo)  
Shoemaker & Associates (Bernalillo)  
New Mexico Tech (Socorro)  
Pure Operations (Doña Ana)  
TLC Pest Control (Sierra)  
Dimar Fire Systems (Doña Ana)  
Follow the Sun Tours (Sierra, Bernalillo)  
Horizons of New Mexico (Doña Ana)  
Clifton Larson Allen (Bernalillo)  
SDV Construction (Bernalillo)

Ultramain (Bernalillo)  
Hotel Encanto de Las Cruces (Doña Ana)  
Sierra Grande Lodge (Sierra)  
Enterprise Rent-A-Car (Doña Ana)  
Volvo Equipment Hire (Doña Ana)  
World Class Gourmet (Doña Ana)  
Progressive Construction Management (Bernalillo)  
RMKM Architecture (Bernalillo)  
HB Construction (Bernalillo)

# FY15 ECONOMIC IMPACT

FY15 Investment		Return on Investment(ROI)/Economic Stimulus	
State of NM Annual Investment	\$463,000	Spaceport Funding for STEM-education	\$1,900,000 <sup>1</sup>
		Taxes Paid on Operations	\$160,000
		Taxes Paid on Construction	\$70,000 <sup>2</sup>
		Taxes Paid on SA Events	\$6,000 <sup>3</sup>
		Direct Spend by SA Events	\$43,000 <sup>4</sup>
		Direct Spend by Tourism	\$177,000 <sup>5</sup>
		Direct Spend by Tenants	\$1,000,000 <sup>6</sup>
		Taxes Paid by Tenants	\$70,000 <sup>7</sup>
		Local Space Conference Economic Impact	\$1,293,000 <sup>8</sup>
		SA Employment Direct Impact	\$861,000
		SA Employment Indirect Impact	\$258,000 <sup>9</sup>
		SA Contractor Employment Direct	\$900,000
		SA Contractor Employment Indirect	\$270,000 <sup>9</sup>
		SA Tenant Employment Direct	\$1,960,000
		SA Tenant Employment Indirect	\$588,000 <sup>9</sup>
<b>Total</b>	<b>\$463,000</b>	<b>Total</b>	<b>\$9,556,000</b>

<sup>1</sup> Per NM Tax & Revenue Statistics

<sup>2</sup> Assumes \$1M annual construction spend

<sup>3</sup> Based on 4 year average of \$85K per year in event spending

<sup>4</sup> Assumes 0.5X multiplier of onsite spending spent

<sup>5</sup> Assumes 3000 visitors in 2015

<sup>6</sup> Assumes \$1M average offsite local spend per year

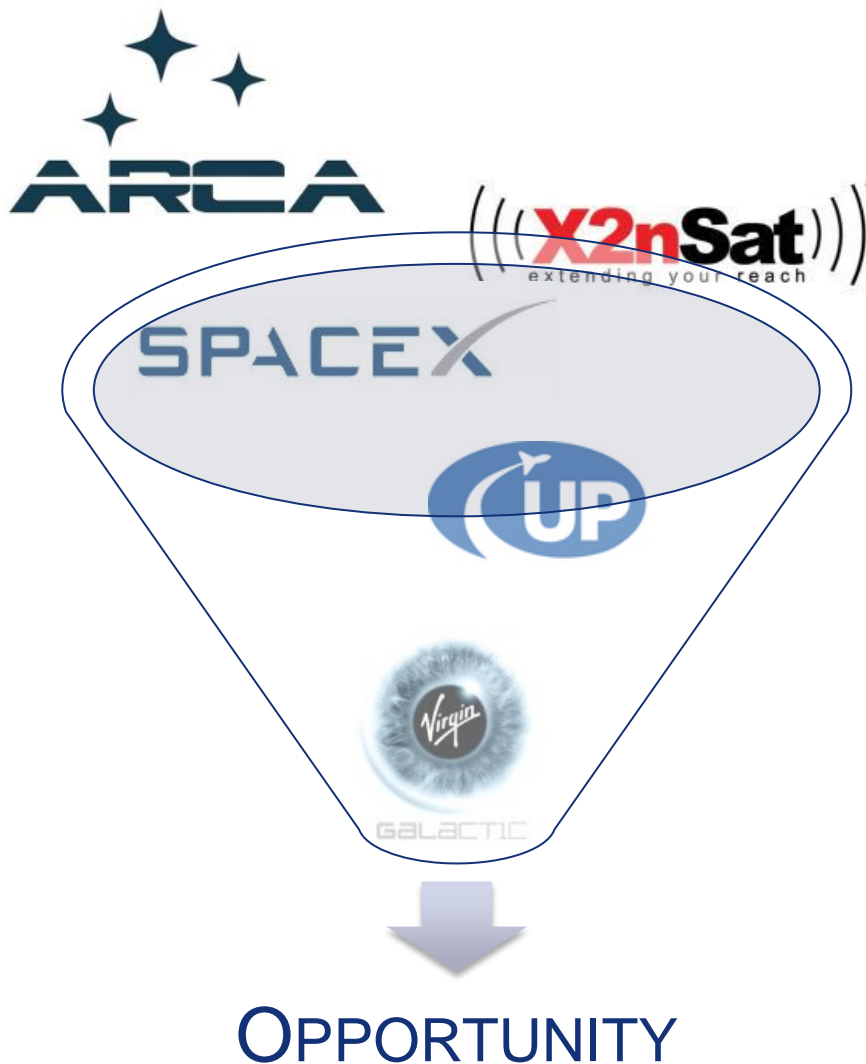
<sup>7</sup> Based on Direct Spend

<sup>8</sup> Per NM Space Grant Consortium

<sup>9</sup> Assumes 0.3X multiplier of local salary impact

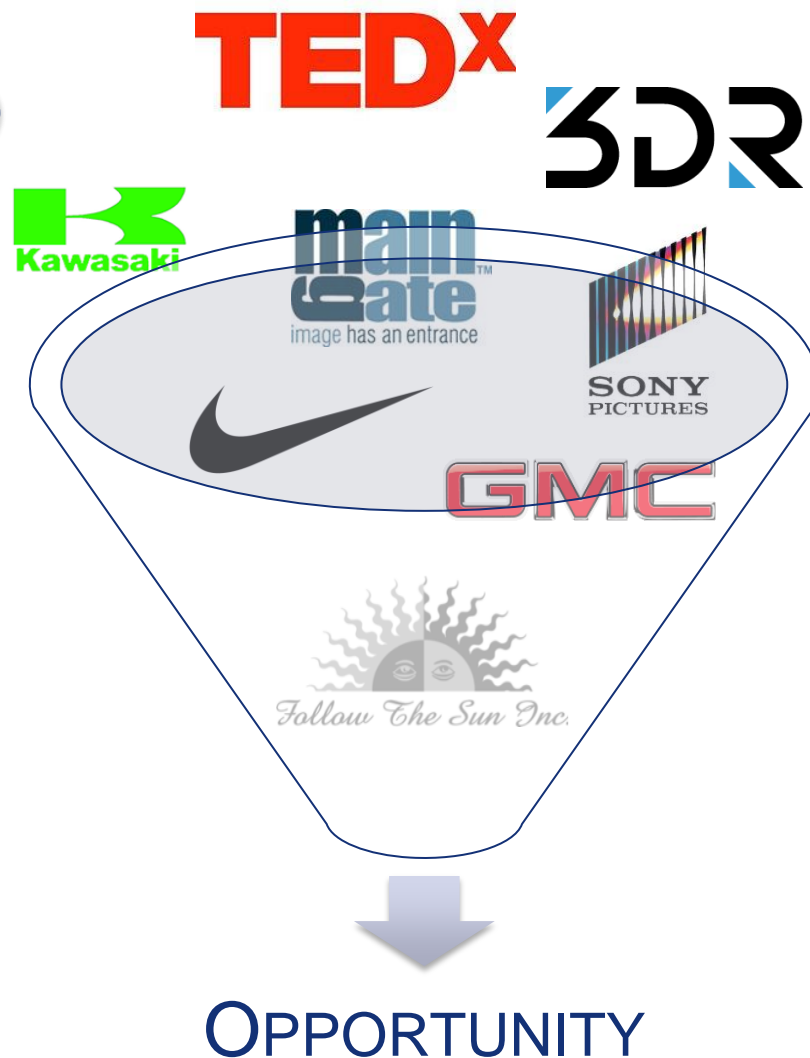
# AEROSPACE PIPELINE

- SPACE LAUNCH
- SPACE TESTING
- SATELLITE GROUND STATIONS
- UAV TESTING



# NON-AEROSPACE PIPELINE

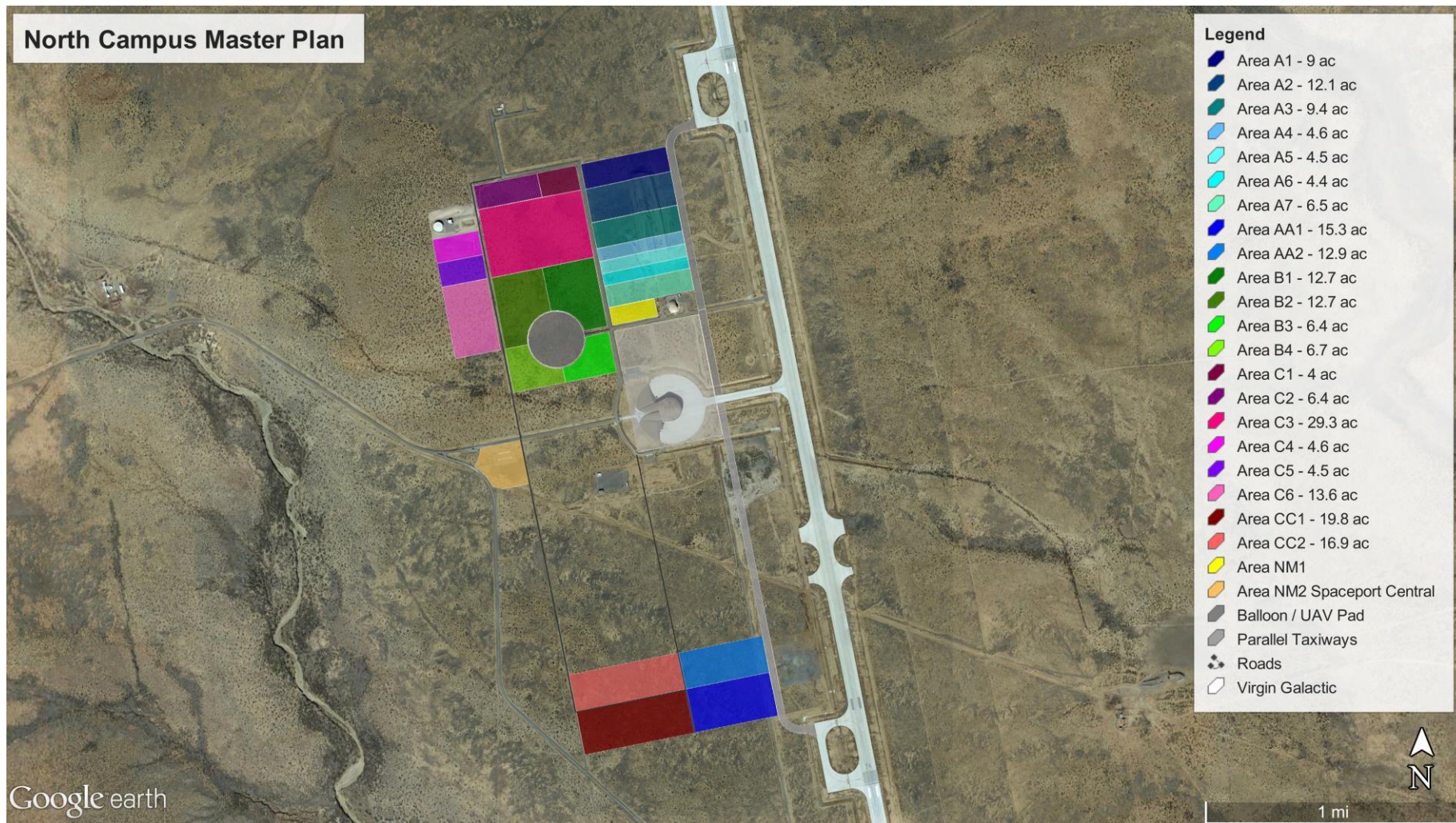
- TOURISM (OPENED JUNE 2015)
- VENUE EVENTS
- MERCHANDISE
- VIRTUAL EDUCATION
- SPONSORSHIP





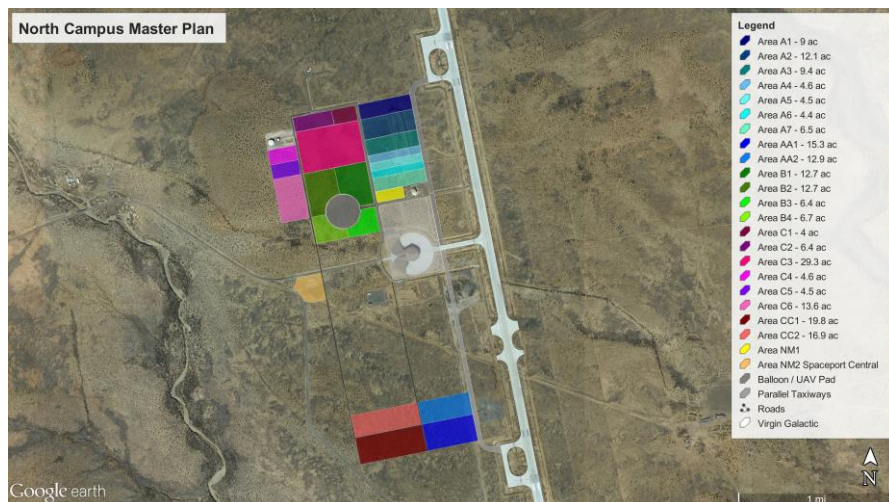
# NEW SITE MASTER PLAN

## SPACEPORT AMERICA NORTH CAMPUS





# MASTER PLAN REVENUE FORECAST



- PARCELS RANGING FROM 0.5 TO 30 ACRES
- RENT VARIES BASED ON LOCATION

Location	Acres	Annual Revenue
Off Airfield	124.3	\$911,160
On Airfield	78.66	\$1,512,720
Vertical Launch	100.93	\$779,004
<b>Total</b>	<b>303.89</b>	<b>\$3,202,884</b>

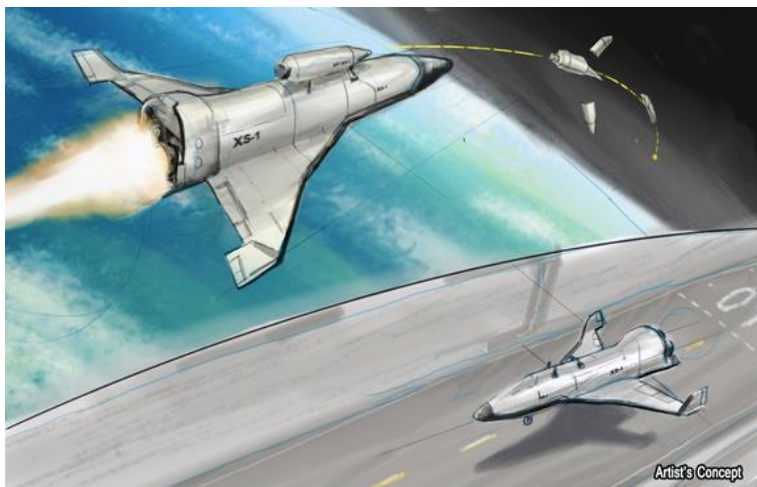
# CAPITAL OUTLAY REQUESTS

- TAXI WAY/APRON  
\$900K
- HANGAR ROAD  
\$500K
- SMALL HANGAR  
\$550K



# WHY A HANGAR?

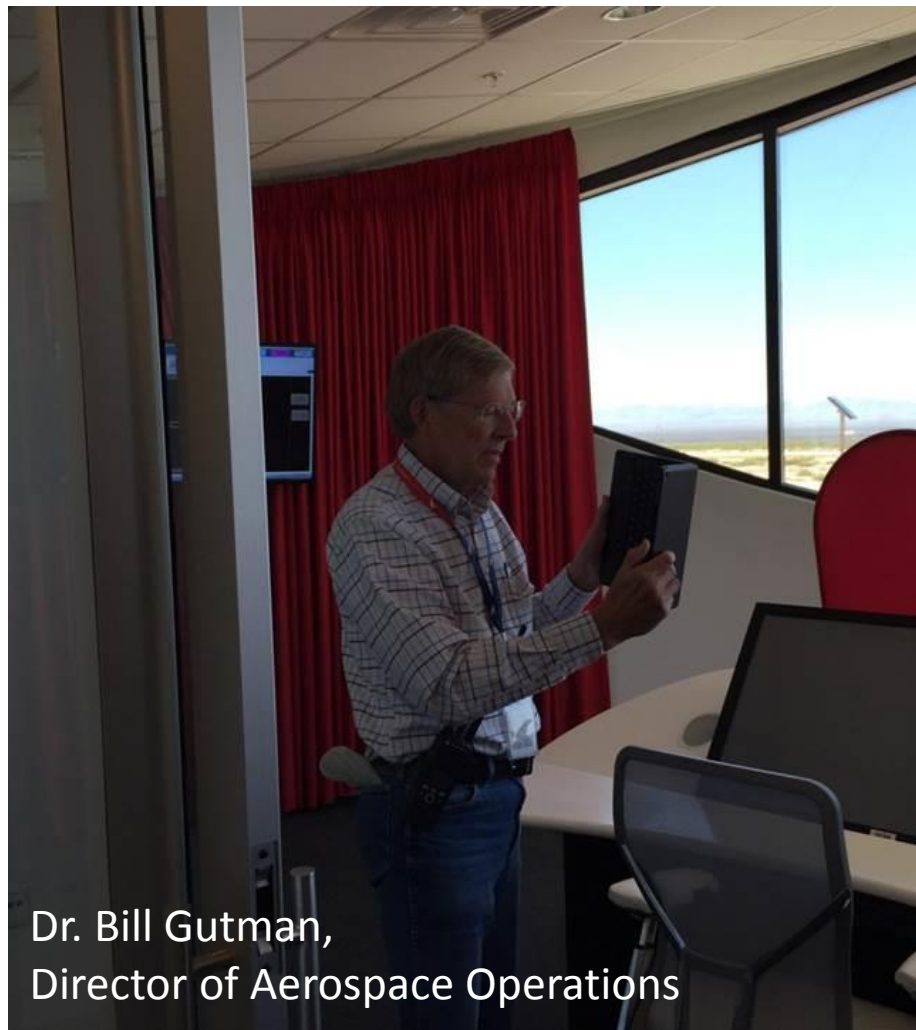
- NO UNOCCUPIED HANGAR AT PRESENT
- POTENTIAL USERS:
  - Test Aircraft
  - UAVs
  - Test Balloons
  - Events





# EDUCATIONAL OUTREACH





Dr. Bill Gutman,  
Director of Aerospace Operations

- REAL TIME ONLINE VIRTUAL CLASS AND SPACEPORT TOUR CONDUCTED WITH SIERRA AND DONA ANA COUNTIES PUBLIC MIDDLE SCHOOLS
- GOAL: REACH EVERY 6<sup>TH</sup> GRADE STUDENT IN DONA ANA AND SIERRA COUNTY DURING SCHOOL YEAR; EXPANDING TO OTHER COUNTIES SOON



# SPACEPORT AMERICA/CHALLENGER CENTER/VIRGIN GALACTIC STRATEGY



- WEEK ONE - VIRTUAL SPACEPORT AMERICA MISSION
- WEEK TWO – CLASS MISSION INSIDE CHALLENGER CENTER
- WEEK THREE – GOOGLE HANGOUT WITH VG ASTRONAUT



# EDUCATIONAL EVENTS ONSITE (MIDDLE & HIGH SCHOOL LEVEL)



**NM Space Grant Student Launch**

# COLLABORATIVE AEROSPACE PROJECTS (UNIVERSITY LEVEL)



**NM Tech Student Launch – April 18, 2015**

# STUDENT EVENTS/FIELD TRIPS (ALL LEVELS)



**Gateway Gallery Preview – April 9, 2015**



# VISITOR EXPERIENCE OPENED IN JUNE 2015



- **FEATURES**

- **Original videos**
- **Interactive exhibits**
- **Educational while fun**
- **Highlights include:**
  - G-shock simulator
  - NM space history
  - NM regional history
  - Space science factoids
  - Magic Planet
  - and more

- **YOUTUBE:**

- [HTTPS://WWW.YOUTUBE.COM/  
WATCH?V=IPWSDAQJUPY](https://www.youtube.com/watch?v=IPWSDAQJUPY)



# OPEN HOUSE OCT 3, 2015



A large, abstract, light grey swoosh graphic that starts from the top left and curves towards the bottom right, framing the title.

# BUDGET OVERVIEW

# SPACEPORT HAS TWO TYPES OF BUDGETS



- **CAPITAL BUDGET**
  - General Fund/Severance Tax Capital Funds
  - Gross Receipts Tax Capital Funds (Doña Ana & Sierra Counties)
- **OPERATIONAL BUDGET\* (DAY TO DAY OPERATIONS)**
  - Appropriated General Funds
  - NMSA Revenue

\*All funds are non-reverting, per Spaceport Development Act §58-31-1 - §58-31-17

**Eventually NMSA will only have one type of budget: Operational**

# CAPITAL FUNDING: \$218.5M

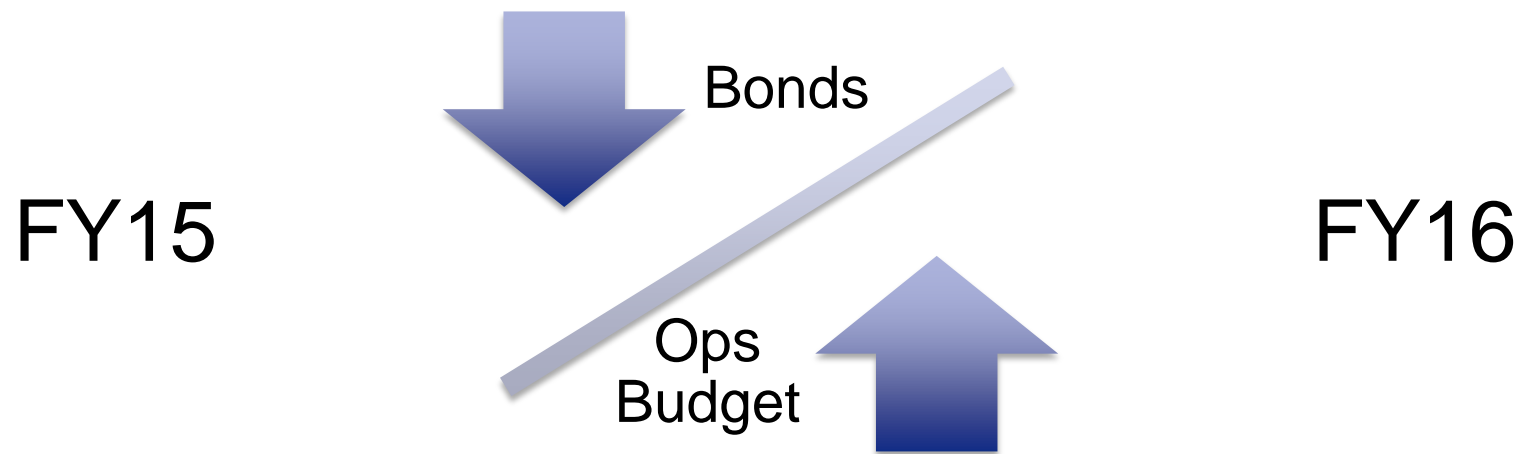
- **SEVERANCE TAX CAPITAL FUNDS (\$142.1M)**  
Managed by DFA/SBOF
- **GROSS RECEIPTS TAX CAPITAL FUNDS (DOÑA ANA & SIERRA COUNTIES) (\$76.4M)**  
Managed by NMFA

(Approx. 94% from Doña Ana County and 6% from Sierra County)

# FY15/FY16

## CRITICAL TRANSITION YEARS

- BONDS ARE ALMOST EXPENDED
- ALL EXPENDITURES MUST BE COVERED FROM OPS BUDGET
- OPS BUDGET PROCEEDS MUST COME FROM REVENUE OR GENERAL FUND





# CAPITAL FUNDING: \$218.5M

- **SEVERANCE TAX CAPITAL FUNDS (\$142.1M)**

Managed by DFA/SBOF

Balances as of 9/2015:

Unspent:	\$14,347,488
----------	--------------

- **GROSS RECEIPTS TAX CAPITAL FUNDS (DOÑA ANA & SIERRA COUNTIES) (\$76.4M)**

Managed by NMFA

Balance as of 9/2015:

Unspent:	\$1,077,042
----------	-------------

(Approx. 94% from Doña Ana County and 6% from Sierra County)

# FY14-17 OPS BUDGETS USES

	14 -audited	15 –estimated	16 projected	17requested
200- Personnel	816,560	1,196,123	1,678,714	1,739,700
300-Contractual	227,047	276,150	2,223,276	2,862.100
400- Other	818,500	905,147	2,586,345	2,297,100
<hr/>				
Total	1,862,200	2,377,420	6,488,335	6,898,900

# WHY OPS BUDGET INCREASES IN FY16

	14	15	16	17
<b>Primary Migration ( Bonds to Ops)</b>				
Environmental Services (300)	689k	460k	250k	172k
Protective Services (300)	1,400k	1,640k	1703k	2300k
Construction(400)	5,500k	3,000k	297k	193k

## Primary New Ops Requirements

Marketing/Sales (200 and 400)	100k	200k	530k	630k
Facility maintenance (200 and 400)	150k	300k	850k	609k
Aerospace Operations (200)		100k	200k	200k
IT Support (200)		80k	150k	150k

Blue-Bond Funds

# FY14-17 OPS BUDGET SOURCES

	14	15	16	17
General Fund	459,900	463,100	463,000	2,812,800
Special Approp			500,000	
VG Revenue	1,330,000	1,630,000	1,630,000	1,630,000
Other Revenue	1,001,100	1,034,326	1,583,835	2,456,100
Fund Balance (used)	0	0	2,311,500	0
<hr/>				
Total	2,791,000	3,127,426	6,488,335	6,898,900



# SPACEPORT FY17 OPS BUDGET REQUEST



# FY17 REQUESTED BUDGET (\$K)

USES	Total
200 - Personnel	1,739.7
300 - Contractual	2,862.1
400 - Other	2,297.1
<b>TOTAL</b>	<b>6,898.9</b>

SOURCES	Total
111 – General Fund	2,812.8
130 – Other Revenue	4,086.1
150 – Fund Balance	0
<b>TOTAL</b>	<b>6,898.9</b>

# FY17 RECOMMENDED BUDGET (\$K)

## CATEGORY 200 (PERSONNEL)



Exempt Positions (3)	\$267.7
Executive Director	
Chief Financial Officer	
General Counsel	
Permanent Positions (6)	\$391.8
Technical Operations (2)	
Business Operations	
General Operations	
Admin Operations (2)	
Term Positions (11)*	\$662.9
Aerospace Operations (2)	
General Operations (4)	
Marketing	
Sales	
Brand Communicator	
IT Operations (2)	
Benefits	<u>\$418.1</u>
<b>TOTAL</b>	<b>\$1,739.7</b>

**\*full year hires**

# FY17 RECOMMENDED BUDGET (\$K)

## CATEGORY 300 (CONTRACTUAL)



Protective Services	\$2,300
24/7 Fire Protection	
24/7 Armed Security Protection	
24/7 Emergency Medical	
Other Contracts	\$562.1
Audit	
Media Support	
Environmental	
Legal	
<b>TOTAL</b>	<hr/> <b>\$2,862.1</b>

# FY17 RECOMMENDED BUDGET (\$K)

## CATEGORY 400 (OTHER)



Utilities – Electricity	275
Rent of Land/office Space/Ranchers	277
DoIT Communications	210
Facilities Maintenance	400
Property Insurance	179
Building/Structures	193
Field Supplies	127
Equipment	50
Other Expenses	586
Office Supplies; IT Supplies;	
State Vehicles; Travel;	
BOD Per Diem; Printing/Adv;	
Training ;Marketing etc	

<b>TOTAL</b>	<hr/> 2,297
--------------	-------------



# REVENUE



# NMSA PRIMARY REVENUE \$K



	FY15 (unaudited)	FY16 (est.)	FY17(est.)
VG Facilities Lease and Ground Rent	1,030	1,030	1,030
VG User Fees	600	600	600
State General Fund Appropriations	463	463	2,813
Special Appropriation		500	
Excess Pledged Revenue	627	585	585
Utilities	167	140	167
Special events	130	511	750
Other Aerospace Customers	100	222	630
Tourism / Merchandising	7	37	150
Sponsorships		90	185
Fund Balance		2311.5	

# LIQUOR LICENSE

- SPACEPORT HOSTS AN INCREASING NUMBER OF EVENTS
- LIQUOR IS OFTEN DESIRED BY ATTENDEES
- CONSUMPTION WOULD BE MONITORED
- WOULD BE ANOTHER SOURCE OF REVENUE

# SOUTHERN ROAD STATUS

- DAC DELIVERS DESIGN TO BLM NLT 30 OCTOBER 2015
- BLM REVIEWS AND SCHEDULES PUBLIC MEETING-COMplete MID-JAN 2015
- ARCHEOLOGIST WRITES DRAFT EA FOR BLM APPROVAL- COMPLETE MID-MARCH
- BLM APPROVES AND ISSUES EA MID-MAY
- DAC ISSUES RFP MID- MAY WITH AWARD MID-AUG 2016
- CONSTRUCTION COMPLETE AUG 2017
- CONTACT: CHUCK McMAHON ASSISTANT DAC MANAGER

An aerial photograph of a river delta, likely the Nile, showing a complex network of channels and a large, dark, irregularly shaped area of vegetation or water in the lower-left. The surrounding land is a mix of brown and tan hues, suggesting arid or semi-arid conditions. The text "Come Visit" is overlaid in the center in a white, bold, sans-serif font with a black outline.

**Come Visit**